

HCS HB 1332 -- PHARMACIES AND PHARMACY BENEFITS (Sater)

COMMITTEE OF ORIGIN: Special Committee on Healthcare Transformation

This substitute changes the laws regarding pharmacies and pharmacy benefits.

PHARMACY AUDITS

The substitute establishes guidelines that entities must follow when auditing a pharmacy. Any entity conducting an audit must develop an appeal process under which a pharmacy can appeal an unfavorable audit report. The substitute does not apply to any investigative audits involving fraud, willful misrepresentation, or abuse.

RECOMMENDATIONS FOR SWITCHING MEDICATIONS

All switch communications must clearly identify the originally prescribed medication and disclose any financial interest that the health care insurer, pharmacy benefits manager, or prescribing physician has in the patient's decision to switch medications. Any person who issues or delivers or causes to be issued or delivered a switch communication that has not been approved, provides a misrepresentation or false statement in a switch communication, or commits any other material violation of the provisions of the substitute will be subject to a fine of up to \$25,000.

PHYSICIAN OVERRIDE OF DRUG RESTRICTIONS

A prescribing physician can override any step therapy or fail first protocol when the treatment has been ineffective in treating the patient's disease or medical condition, is expected to be ineffective, or is likely to cause an adverse reaction. The duration of any step therapy or fail first protocol cannot last longer than 14 days. For medications with no generic equivalent and for which the prescribing physician feels there is no appropriate therapeutic alternative, the health carrier or pharmacy benefit manager is required to provide access to United States Food and Drug Administration labeled medications without restriction.

FISCAL NOTE: Estimated Cost on General Revenue Fund of Unknown but Greater than \$36,810 in FY 2009, FY 2010, and FY 2011. Estimated Cost on Other State Funds of \$25,650 in FY 2009, FY 2010, and FY 2011.